

# State of California Office of the Attorney General

#### **ROB BONTA**

ATTORNEY GENERAL

April 20, 2023

#### Sent via Mail and E-Mail

Ann Carlson Acting Administrator National Highway Traffic Safety Administration 1200 New Jersey Avenue, SE Washington, D.C. 20590

Dear Ms. Carlson:

We are writing to ask that the National Highway Traffic Safety Administration (NHTSA) use its authority to institute a recall of unsafe Hyundai and Kia vehicles manufactured between 2011 and 2022 whose easily-bypassed ignition switches and lack of engine immobilizers make them particularly vulnerable to theft. Due to this vulnerability in their starting systems, the vehicles can be hotwired and stolen in a matter of minutes, presenting a serious safety issue nationwide. Thefts of these Hyundai and Kia vehicles have led to at least eight deaths, numerous injuries and property damage, and they have diverted significant police and emergency services resources from other priorities.

Hyundai and Kia announced that they will initiate voluntary service campaigns to offer software updates for certain vehicles with this starting-system vulnerability. Unfortunately, however, this is an insufficient response to the problem and does not adequately remedy the safety concerns facing vehicle owners and the public. First, it will reportedly take months to release software updates for all models, and more troubling, an update is not even feasible for a significant percentage of the affected vehicles. Second, this voluntary service campaign lacks the notice and other regulatory requirements of a noncompliance or safety recall process and thus is unlikely to remedy as many vehicles as necessary in a timely manner.

<sup>&</sup>lt;sup>1</sup> For example, according to Hyundai, "[s]ome 2011-2022 model year vehicles without engine immobilizers cannot accommodate the software upgrade." See Hyundai, "Anti-Theft Software Upgrade," available at hyundaiantitheft.com [answer to FAQ, "What if my vehicle cannot be fitted with the software upgrade?"].

In short, the affected vehicles' starting systems are not in compliance with federal standards and pose an unreasonable risk to public safety. We call on NHTSA to exercise its authority to order a mandatory recall or ensure Hyundai and Kia institute a voluntary recall.

### I. Hyundai and Kia Vehicles' Vulnerability to Hotwiring and Theft Has Created a Safety Crisis on U.S. Roads

As you know, news reports and public safety agencies across the country have described the widespread theft of certain models of Hyundai and Kia vehicles whose starting systems render them easily hotwired and stolen. In particular, the vehicles' ignition switches can be easily bypassed by removing the steering wheel column cover, accessing the keyed ignition, and turning it with a USB cable or similar shaped item. As discussed below, this is a violation of federal motor vehicle safety standards.<sup>2</sup> The vehicles also lack engine immobilizers, ubiquitous antitheft devices that provide a second line of defense against theft by preventing vehicles from being started unless a unique code is transmitted from the vehicle key. Immobilizers have been industry-standard for years, reducing rates of vehicle theft substantially, yet they are absent from these Hyundai and Kia vehicles, rendering them particularly vulnerable to theft.<sup>3</sup>

A viral social media trend has exposed this vulnerability and exacerbated the problem. Gaining notoriety in 2021, individuals known as the "Kia Boyz" uploaded videos to the social media platform TikTok showing the ease of stealing Hyundai and Kia vehicles. <sup>4</sup> Using only a USB cable and a screwdriver, the Kia Boyz demonstrated how to quickly bypass the keyed ignition by prying off the steering wheel column, accessing the ignition switch, and starting the vehicle without a key in as little as 20 to 30 seconds. <sup>5</sup> The Kia Boyz challenged viewers to steal

<sup>&</sup>lt;sup>2</sup> See 49 C.F.R. § 571.114 ("Standard No. 114; Theft protection and rollaway prevention"); NHTSA Guidance Document, No. GF005229-2 (Sept. 24, 2004), available at <a href="https://www.nhtsa.gov/interpretations/gf005229-2">https://www.nhtsa.gov/interpretations/gf005229-2</a>.

³ See Highway Loss Data Institute, "Hyundai and Kia theft losses" Bulletin (Dec. 2021), available at <a href="https://www.iihs.org/media/0e14ba17-a3c2-4375-8e66-081df9101ed2/opm7QA/HLDI%20Research/Bulletins/hldi\_bulletin\_38-28.pdf">https://www.iihs.org/media/0e14ba17-a3c2-4375-8e66-081df9101ed2/opm7QA/HLDI%20Research/Bulletins/hldi\_bulletin\_38-28.pdf</a> [Figure 1 showing percentage of vehicle series with engine immobilizer as standard equipment by model year 2000-2021]; Insurance Institute for Highway Safety, "Hyundais, Kias are easy targets amid boom in vehicle thefts" (Sept. 22, 2022), available at <a href="https://www.iihs.org/news/detail/hyundais-kias-are-easy-targets-amid-boom-in-vehicle-thefts">https://www.iihs.org/news/detail/hyundais-kias-are-easy-targets-amid-boom-in-vehicle-thefts</a> ["Immobilizers are standard on all Hyundai vehicles built after Nov. 1, 2021, and immobilizers were installed on all 2022 Kia models and trims either at the beginning of the model year or as a running change."]; Yahoo!, "Solution to rising problem of stolen vehicles? Kia and Hyundai announce software update" (Feb. 15, 2023), available at <a href="https://www.yahoo.com/now/solution-rising-problem-stolen-vehicles-141009533.html">https://www.yahoo.com/now/solution-rising-problem-stolen-vehicles-141009533.html</a> ["The vehicles being targeted are Kia models from 2011-21 and Hyundai models from 2015-21."].

<sup>&</sup>lt;sup>4</sup> Car and Driver, "As Hyundai/Kia Thefts Grow, 2 Victims of the TikTok Trend Show Us What Happened to Their Cars" (Aug. 27, 2022), available at <a href="https://www.caranddriver.com/news/a40979551/hyundai-kia-car-thefts-tiktok-trend-milwaukee">https://www.caranddriver.com/news/a40979551/hyundai-kia-car-thefts-tiktok-trend-milwaukee</a>.

<sup>&</sup>lt;sup>5</sup> Car and Driver, "Hyundai, Kia Take Action after Cars Become Theft Targets in Milwaukee" (Dec. 11, 2021), available at <a href="https://www.caranddriver.com/news/a38491394/hyundai-kia-thefts-milwaukee-action">https://www.caranddriver.com/news/a38491394/hyundai-kia-thefts-milwaukee-action</a> ["[T]hieves know they can break the back window without setting off an alarm, unlock the door, quickly peel back the steering column, and either use a screwdriver or a USB port to crank the

Hyundai and Kia vehicles using this technique, take the vehicles for dangerous joyrides, and upload videos of these exploits to social media.<sup>6</sup>

Particularly since the summer of 2022, thefts of Hyundais and Kias with keyed ignitions and lacking engine immobilizers have risen sharply, as have dangerous driving incidents resulting in injuries, fatalities, and property damage. Recent data highlights the disproportionately high theft rates for these vehicles. For example, in Los Angeles, thefts of Hyundais and Kias increased by approximately 85% in 2022, and made up almost three quarters of the entire increase in stolen cars of any make and model in the city. Hyundais and Kias also constituted approximately 20% of stolen cars in Los Angeles in 2022, up from 13% in 2021. Similarly, in Berkeley, California, thefts of these cars have made up 38% of vehicle thefts since the end of 2022. California cities' data is consistent with data from other states. For instance, in Minneapolis and St. Paul, Minnesota, thefts of Hyundais and Kias increased 836% and 611%, respectively, in 2022. In Columbus, Ohio, Hyundais and Kias constituted nearly 45% of stolen cars in 2022, in Milwaukee, 58%, and in Minneapolis, 33%.

Moreover, thieves have driven these vehicles recklessly, speeding and performing wild stunts and causing numerous crashes, at least eight deaths, and significant injuries. <sup>12</sup> Many of the victims have been minors. For example, a 16-year-old driving a stolen Kia in Milwaukee drove

car and go."]; CNBC, "TikTok challenge spurs rise in thefts of Kia, Hyundai cars" (Sept. 8, 2022), available at <a href="https://www.cnbc.com/2022/09/08/tiktok-challenge-spurs-rise-in-thefts-of-kia-hyundai-cars.html">https://www.cnbc.com/2022/09/08/tiktok-challenge-spurs-rise-in-thefts-of-kia-hyundai-cars.html</a> ["[The perpetrators are] doing it in 20 to 30 seconds."].

<sup>&</sup>lt;sup>6</sup> CNBC, "TikTok challenge spurs rise in thefts of Kia, Hyundai cars" (Sept. 8, 2022), available at <a href="https://www.cnbc.com/2022/09/08/tiktok-challenge-spurs-rise-in-thefts-of-kia-hyundai-cars.html">https://www.cnbc.com/2022/09/08/tiktok-challenge-spurs-rise-in-thefts-of-kia-hyundai-cars.html</a>.

<sup>&</sup>lt;sup>7</sup> Mercury News, "Thousands more Kia, Hyundai vehicles stolen in Los Angeles this year because of a TikTok challenge, LAPD says" (Sept. 1, 2022), available at <a href="https://www.mercurynews.com/2022/09/01/thousands-more-kia-hyundai-vehicles-stolen-in-los-angeles-this-year-because-of-a-tiktok-challenge-lapd-says">https://www.mercurynews.com/2022/09/01/thousands-more-kia-hyundai-vehicles-stolen-in-los-angeles-this-year-because-of-a-tiktok-challenge-lapd-says</a>.

<sup>&</sup>lt;sup>8</sup> Santa Monica Mirror, "Los Angeles Sees Increase in Kia and Hyundai Thefts Fueled by TikTok" (Mar. 6, 2023), available at <a href="https://smmirror.com/2023/01/los-angeles-sees-increase-in-kia-and-hyundai-thefts-fueled-by-tiktok">https://smmirror.com/2023/01/los-angeles-sees-increase-in-kia-and-hyundai-thefts-fueled-by-tiktok</a>.

<sup>&</sup>lt;sup>9</sup> Fox 2 KTVU, "Berkeley police note rise in Hyundai, Kia thefts" (Mar. 3, 2023), available at <a href="https://www.ktvu.com/news/berkeley-police-note-rise-in-hyundai-kia-thefts">https://www.ktvu.com/news/berkeley-police-note-rise-in-hyundai-kia-thefts</a>.

<sup>&</sup>lt;sup>10</sup> StarTribune, "Kia and Hyundai thefts skyrocket 836% in Minneapolis; attorney general and Twin Cities mayors urge recalls" (Mar. 2, 2023), available at <a href="https://www.startribune.com/kia-hyundai-thefts-tiktok-ellison-minneapolis-frey-st-paul-carter-mayor-urge-recall/600255806">https://www.startribune.com/kia-hyundai-thefts-tiktok-ellison-minneapolis-frey-st-paul-carter-mayor-urge-recall/600255806</a>.

<sup>&</sup>lt;sup>11</sup> Fox Business, "Hyundai, Kia owners face threat of theft due to social media challenge" (Jan. 4, 2023), available at <a href="https://www.foxbusiness.com/markets/hyundai-kia-owners-face-threat-theft-due-social-media-challenge">https://www.foxbusiness.com/markets/hyundai-kia-owners-face-threat-theft-due-social-media-challenge</a>.

<sup>12</sup> Mercury News, "Thousands more Kia, Hyundai vehicles stolen in Los Angeles this year because of a TikTok challenge, LAPD says" (Sept. 1, 2022), available at <a href="https://www.mercurynews.com/2022/09/01/thousands-more-kia-hyundai-vehicles-stolen-in-los-angeles-this-year-because-of-a-tiktok-challenge-lapd-says">https://www.mercurynews.com/2022/09/01/thousands-more-kia-hyundai-vehicles-stolen-in-los-angeles-this-year-because-of-a-tiktok-challenge-lapd-says</a>; Fortune, "Millions of Hyundais and Kias are updating software because a TikTok challenge exposed how to steal them" (Feb. 14, 2023), available at <a href="https://fortune.com/2023/02/14/hyundai-kia-tiktok-challenge-car-theft-auto-software-update/?queryly=related">https://fortune.com/2023/02/14/hyundai-kia-tiktok-challenge-car-theft-auto-software-update/?queryly=related</a> article.

into oncoming traffic and hit another vehicle, killing the driver of the stolen vehicle and injuring at least five other individuals. <sup>13</sup> In another incident, a stolen Kia crashed into another car in Minneapolis, killing one occupant and injuring the other. <sup>14</sup> And in New York, four people between 14 and 19 years-old riding in a stolen Kia were killed in a rollover crash. <sup>15</sup> These are only a few of the many crashes resulting from these safety defects. <sup>16</sup>

Owners of stolen Hyundai and Kia vehicles have expressed frustration at the lack of meaningful corrective action. A review of publicly available complaints in NHTSA's database<sup>17</sup> underscores the damage this has inflicted on vehicle owners, many of whom are burdened with significant out-of-pocket costs and delay to repair their stolen vehicles (if successfully recovered), or to obtain alternative means of transportation—not to mention the disruption to daily life caused by having one's car stolen.

## II. Thefts of Unsafe Hyundai and Kia Vehicles Have Consumed Law Enforcement and Emergency Responder Resources

The high rate of theft of Hyundai and Kia vehicles has demanded time and resources from public safety agencies, diverting resources from other priorities. Thefts reported to law enforcement require documentation and investigation, and crashes of stolen vehicles require emergency responder services. In addition to responding to Hyundai and Kia vehicle thefts and related crashes or crimes, <sup>18</sup> local agencies have also had to allocate scarce resources to preventative measures. For example, in Los Angeles County, LAPD and the Sheriff's Department have broadcast community alerts regarding the alarming uptick in thefts, and California State University police have had to increase patrols in parking lots in response to

<sup>&</sup>lt;sup>13</sup> WISN ABC, "Critics question design of Kia, Hyundai vehicles in massive theft spike" (Jun. 24, 2021), available at <a href="https://www.wisn.com/article/critics-question-design-of-kia-hyundai-vehicles-in-massive-theft-spike/36828234">https://www.wisn.com/article/critics-question-design-of-kia-hyundai-vehicles-in-massive-theft-spike/36828234</a>.

<sup>&</sup>lt;sup>14</sup> Fox9, "Stolen Kia crashes into couple's car in St. Paul, 70-year-old woman killed" (Jul. 18, 2022), available at <a href="https://www.fox9.com/news/stolen-kia-crashes-into-couples-car-in-st-paul-70-year-old-woman-killed">https://www.fox9.com/news/stolen-kia-crashes-into-couples-car-in-st-paul-70-year-old-woman-killed</a>.

<sup>&</sup>lt;sup>15</sup> Buffalo News, "A TikTok challenge went viral. This week in Buffalo, the consequences turned fatal" (updated Jan. 12, 2023), available at <a href="https://buffalonews.com/news/local/accident-and-incident/a-tiktok-challenge-went-viral-this-week-in-buffalo-the-consequences-turned-fatal/article\_2c2321e6-5479-11ed-8815-6f966235d300.html.">https://buffalonews.com/news/local/accident-and-incident/a-tiktok-challenge-went-viral-this-week-in-buffalo-the-consequences-turned-fatal/article\_2c2321e6-5479-11ed-8815-6f966235d300.html</a>.

<sup>&</sup>lt;sup>16</sup> E.g., Joint Letter from Attorney General of Minnesota and Mayors of Minneapolis and St. Paul to Hyundai and Kia (Mar. 2, 2023), available at <a href="https://www.ag.state.mn.us/Office/Communications/2023/docs/KiaHyundai\_Ltr.pdf">https://www.ag.state.mn.us/Office/Communications/2023/docs/KiaHyundai\_Ltr.pdf</a> [noting a "significant increase" in stolen Hyundais and Kias involved "in serious, and sometimes fatal, traffic crashes"; "In Minneapolis alone, stolen Kia or Hyundai vehicles were tied to . . . 265 motor vehicle accidents in 2022."].

<sup>&</sup>lt;sup>17</sup> Available at https://www.nhtsa.gov/recalls#vehicle.

<sup>&</sup>lt;sup>18</sup> In Minneapolis, for example, stolen Hyundais and Kias were tied to 5 homicides, 13 shootings, and 36 robberies in 2022. See Joint Letter from Attorney General of Minnesota and Mayors of Minneapolis and St. Paul to Hyundai and Kia (Mar. 2, 2023), available at <a href="https://www.ag.state.mn.us/Office/Communications/2023/docs/KiaHyundai\_Ltr.pdf">https://www.ag.state.mn.us/Office/Communications/2023/docs/KiaHyundai\_Ltr.pdf</a>.

thefts on campus. <sup>19</sup> Indeed, police departments across the country have issued public alerts to give notice to vehicle owners of this dangerous trend, <sup>20</sup> and others have used police time to distribute steering wheel locks in the hopes of deterring thefts. <sup>21</sup> As long as these easily hotwired and stolen Hyundai and Kia vehicles remain unfixed, local police departments and emergency services agencies will continue expending resources in response to the public safety threat.

### III. The Phased, Voluntary Service Campaigns of Software Updates Are Insufficient to Protect Drivers and the General Public

On February 14, 2023, Hyundai and Kia announced that they would initiate service campaigns to offer software updates that would supposedly eliminate the starting-system vulnerability. <sup>22</sup> According to the announcements, the proposed software updates will modify the

<sup>&</sup>lt;sup>19</sup> Los Angeles Police Department on Twitter, "Tik-Tok Auto Theft Trend" Community Alert (Aug. 25, 2022), available at <a href="https://twitter.com/lapdhq/status/1562953014838640640?lang=en">https://twitter.com/lapdhq/status/1562953014838640640?lang=en</a>; Los Angeles County Sheriff's Department on Twitter, "Community Alert, Tik Tok Auto Theft Craze, 2010-2021 KIA and HYUNDAI thefts (various models)" (Sept. 12, 2022), available at <a href="https://twitter.com/lasdhq/status/1569469114066018305">https://twitter.com/lasdhq/status/1569469114066018305</a>; ABC7 News, "CSULA sees rise in car thefts with certain vehicles on campus, recent crime caught on camera" (Apr. 15, 2022), available at <a href="https://abc7.com/car-theft-cal-state-la-in-county-rise/11753279">https://abc7.com/car-theft-cal-state-la-in-county-rise/11753279</a>.

<sup>&</sup>lt;sup>20</sup> E.g., Chicago Police Department on Twitter, "Protect Your Vehicle" Alert (Jan. 19, 2023), available at <a href="https://twitter.com/ChicagoCAPS14/status/1616111496966160387?cxt=HHwWhoC-4YG2yu0sAAAA">https://twitter.com/ChicagoCAPS14/status/1616111496966160387?cxt=HHwWhoC-4YG2yu0sAAAA</a> ["Car thieves are targeting Hyundai and Kia vehicles following a viral social media challenge"]; Lincoln Police Department on Twitter, "Be Aware" Alert (Jul. 28, 2022), available at <a href="https://twitter.com/lincoln\_police/status/1552650076258029568?lang=en">https://twitter.com/lincoln\_police/status/1552650076258029568?lang=en</a> ["2011-2021 Kia models & 2015-2021 Hyundai models are being targeted b/c of a social media challenge called 'KIA BOYZ'"]; Fairfax County Police Department, "HYUNDAI AND KIA MODELS TARGETED BY THIEVES" (Jan. 18, 2023), available at <a href="https://fcpdnews.wordpress.com/2023/01/18/hyundai-and-kia-models-targeted-by-thieves">https://fcpdnews.wordpress.com/2023/01/18/hyundai-and-kia-models-targeted-by-thieves</a> ["[O]fficers responded to numerous calls for service involving stolen or damaged vehicles in Lorton. The thieves appeared to target Hyundai and Kia vehicles."].

<sup>&</sup>lt;sup>21</sup> E.g., University Times, "BREAKING: Public Safety to begin distributing steering wheel locks for some drivers" (Sept. 8, 2022), available at <a href="https://csulauniversitytimes.com/public-safety-to-begin-distributing-steering-wheel-locks-for-some-drivers">https://csulauniversitytimes.com/public-safety-to-begin-distributing-steering-wheel-locks-for-some-drivers</a> [Los Angeles, California]; Fox 13 News, "Clearwater police providing free steering wheel locks to Hyundai vehicle owners to combat auto thefts" (Jan. 11, 2023), available at <a href="https://www.fox13news.com/news/clearwater-police-providing-free-steering-wheel-locks-to-to-hyundai-vehicle-owners-to-combat-auto-thefts">https://www.fox13news.com/news/clearwater-police-providing-free-steering-wheel-locks-to-to-hyundai-vehicle-owners-to-combat-auto-thefts</a> [Clearwater, Florida]; Evanston RoundTable, "Police announce steering wheel lock give away for Hyundai vehicle owners" (Jan. 23, 2023), available at <a href="https://evanstonroundtable.com/2023/01/23/police-announce-steering-wheel-lock-give-away-for-hyundai-vehicle-owners">https://evanstonroundtable.com/2023/01/23/police-announce-steering-wheel-lock-give-away-for-hyundai-vehicle-owners</a> [Evanston, Illinois].

<sup>&</sup>lt;sup>22</sup> Hyundai Media Center, "Hyundai Introduces Free Anti-Theft Software Upgrade, Beginning With More Than 1 Million Elantras, Sonatas and Venues" (Feb. 14, 2023), available at <a href="https://www.hyundainews.com/en-us/releases/3768">https://www.hyundainews.com/en-us/releases/3768</a> ["The technology will be launched as a service campaign for a total of almost 4 million vehicles beginning on February 14, with the upgrade rolling out first to more than 1 million model year 2017-2020 Elantra, 2015-2019 Sonata and 2020-2021 Venue vehicles. The software upgrade is scheduled to be available for the remaining eligible affected vehicles by June 2023 (see chart below)."]; see also NHTSA, "Hyundai and Kia Launch Service Campaign to Prevent Theft of Millions of Vehicles Targeted by Social Media Challenge" (Feb. 14, 2023), available at <a href="https://www.nhtsa.gov/press-releases/hyundai-kia-campaign-prevent-vehicle-theft">https://www.nhtsa.gov/press-releases/hyundai-kia-campaign-prevent-vehicle-theft</a>.

affected vehicles' theft alarm software to require the key to be in the ignition to start the vehicle and extend the length of the alarm sound from 30 seconds to one minute.<sup>23</sup> Before February 2023, Hyundai and Kia responded to the theft epidemic and complaints from owners by reportedly providing a limited quantity of steering wheel locks to "select" local police departments,<sup>24</sup> and by selling a "glass break sensor security kit" that impacted vehicle owners had to pay out of pocket to purchase (approximately \$170) and install.<sup>25</sup>

While the effectiveness of the software updates remains to be seen, it is already apparent that this voluntary service campaign is an insufficient response to the safety problem posed by these vehicles. First, the software updates will not work for all affected vehicles. At a minimum, Hyundai has acknowledged that approximately 15% of the affected vehicles cannot accommodate the software updates, and Kia has also confirmed that some unspecified number of affected vehicles cannot receive the updates. Hyundai has said that it will provide additional information as to these vehicles in the future and both companies will reportedly institute a program to reimburse owners for the purchase of steering wheel locks or another anti-theft device. Steering wheel locks, however, still would not correct the underlying safety flaw in the vehicles' starting systems, and the proposed program would impermissibly shift the responsibility for fixing this problem from the company to individual vehicle owners and require them to sustain out-of-pocket costs unless and until reimbursement is approved.

Second, even for the vehicles that can accommodate software updates, not all eligible vehicles can receive the updates immediately. Instead, the software updates are being released in phases through June 2023.<sup>28</sup> Currently, according to information released by the companies,

<sup>&</sup>lt;sup>23</sup> NHTSA, "Hyundai and Kia Launch Service Campaign to Prevent Theft of Millions of Vehicles Targeted by Social Media Challenge" (Feb. 14, 2023), available at <a href="https://www.nhtsa.gov/press-releases/hyundai-kia-campaign-prevent-vehicle-theft">https://www.nhtsa.gov/press-releases/hyundai-kia-campaign-prevent-vehicle-theft</a>.

<sup>&</sup>lt;sup>24</sup> Fox Business, "Hyundai, Kia owners face threat of theft due to social media challenge" (updated Jan. 4, 2023), available at <a href="https://www.foxbusiness.com/markets/hyundai-kia-owners-face-threat-theft-due-social-media-challenge">https://www.foxbusiness.com/markets/hyundai-kia-owners-face-threat-theft-due-social-media-challenge</a>.

<sup>&</sup>lt;sup>25</sup> Forbes Wheels, "Kia, Hyundai Offer Owners Security Kits, Locks After Targeted Car Thefts" (updated Feb. 14, 2023), available at <a href="https://www.forbes.com/wheels/news/kia-hyundai-car-thefts-security-kit">https://www.forbes.com/wheels/news/kia-hyundai-car-thefts-security-kit</a>; Car and Driver, "Hyundai Charging Customers \$170 for a Kit to Protect Its Easy-to-Steal Cars" (Oct. 1, 2022), available at <a href="https://www.caranddriver.com/news/a41477937/hyundai-security-kit-easy-to-steal-models">https://www.caranddriver.com/news/a41477937/hyundai-security-kit-easy-to-steal-models</a>; see also City of Milwaukee News Release, "Hyundai security kit to prevent car thefts should be offered free of charge" (Oct. 3, 2022), available at <a href="https://city.milwaukee.gov/ImageLibrary/Groups/ccCouncil/News/2022/District-06/HyundaiSecurityKitsJointRelease.pdf">https://city.milwaukee.gov/ImageLibrary/Groups/ccCouncil/News/2022/District-06/HyundaiSecurityKitsJointRelease.pdf</a> [City Council calling for Hyundai and Kia to equip vehicles with security kits at no charge to owners].

<sup>&</sup>lt;sup>26</sup> Letter from Hyundai Motor America to Attorneys General (Mar. 28, 2023); Letter from Kia America to Attorneys General (Mar. 31, 2023).

<sup>&</sup>lt;sup>27</sup> Letter from Hyundai Motor America to Attorneys General (Mar. 28, 2023); Hyundai Media Center, "Hyundai Introduces Free Anti-Theft Software Upgrade, Beginning With More Than 1 Million Elantras, Sonatas and Venues" (Feb. 14, 2023), available at <a href="https://www.hyundainews.com/en-us/releases/3768">https://www.hyundainews.com/en-us/releases/3768</a>; Letter from Kia America to Attorneys General (Mar. 31, 2023).

<sup>&</sup>lt;sup>28</sup> Hyundai recently announced that all eligible models can receive the software updates, but Kia reportedly will not complete its rollout of the software updates until June 2023. See Hyundai, "Anti-Theft

about one-quarter of the approximately 8,000,000 vehicles with the starting system flaw cannot obtain the updates.<sup>29</sup> In the meantime, vehicle owners will receive no software remedy from Hyundai or Kia and their vehicles will remain on the road, vulnerable to theft and posing a threat to public safety.

Third, voluntary service campaigns like the ones announced by Hyundai and Kia are distinct from recalls and offer insufficient assurance that vehicles with the starting-system flaw will be corrected or taken off the road in a timely manner. A recall, whether ordered by NHTSA or voluntarily undertaken by Hyundai and Kia, should be conducted under NHTSA's supervision. A service campaign, by contrast, does not trigger the same regulatory requirements and oversight and instead places additional burdens on individual vehicle owners. Hyundai's and Kia's planned service campaigns to provide software updates to a subset of affected vehicles is simply inadequate to remedy the safety issues presented by these vehicles.

#### IV. NHTSA Should Order a Recall of Unsafe Hyundai and Kia Vehicles

NHTSA's regulatory tools include the authority to order recalls of passenger vehicles that do not comply with Federal Motor Vehicle Safety Standards (FMVSS) and/or that have a defect posing an unreasonable risk to motor vehicle safety. <sup>32</sup> Both conditions are satisfied with respect to Hyundai and Kia vehicles with easily bypassed ignition switches and no engine immobilizers. Whether ordered by NHTSA or voluntarily performed by Hyundai and Kia, a recall of all affected Hyundai and Kia vehicles is necessary to ensure the safety issue is resolved fully in a timely manner.

Software Upgrade," available at hyundaiantitheft.com [Rollout Schedule]; Letter from Kia America to Attorneys General (Mar. 31, 2023).

<sup>&</sup>lt;sup>29</sup> See Letter from Kia America to Attorneys General (Mar. 31, 2023) [software updates expected to be released to approximately two million eligible Kia vehicles by April 2023]; Hyundai, "Anti-Theft Software Upgrade," available at hyundaiantitheft.com ["All of the nearly 4 million [Hyundai] vehicles involved will be eligible to receive the upgrade."]; Fortune, "Millions of Hyundais and Kias are updating software because a TikTok challenge exposed how to steal them" (Feb. 14, 2023), available at <a href="https://fortune.com/2023/02/14/hyundai-kia-tiktok-challenge-car-theft-auto-software-update/?queryly=related\_article">https://fortune.com/2023/02/14/hyundai-kia-tiktok-challenge-car-theft-auto-software-update/?queryly=related\_article</a> ["About 3.8 million Hyundais and 4.5 million Kias are eligible for the software update, the National Highway Traffic Safety Administration said Tuesday."].

<sup>&</sup>lt;sup>30</sup> See, e.g., 49 U.S.C. § 30119(e) [NHTSA may order manufacturer to provide additional recall notifications to vehicle owners if NHTSA determines prior notifications have not resulted in an adequate number of motor vehicles being returned for remedy]; *id.*, § 30120(c)(3) [NHTSA may order the acceleration of manufacturers' recall remedy programs]; *id.*, § 30120(d) [manufacturers must submit to NHTSA a copy of their recall programs for remedying a defect or noncompliance]; *id.*, § 30120(k) [NHTSA publishes reports on recall completion rates].

<sup>&</sup>lt;sup>31</sup> See *General Motors, LLC, Denial of Petition for Decision of Inconsequential Noncompliance*, 86 FR 48812-01, 2021 WL 3857555 (Aug. 31, 2021) ["[A] manufacturer's decision to conduct a service campaign is not a substitute for conducting a recall since consumers will neither be notified of the noncompliance nor informed to return to the dealership for a free remedy."].

<sup>&</sup>lt;sup>32</sup> 49 U.S.C. § 30118(b).

First, these vehicles violate FMVSS Number 114, which provides vehicle performance requirements to reduce the incidence of crashes resulting from theft and accidental rollaway of motor vehicles.<sup>33</sup> Specifically, FMVSS Number 114, S5.1 requires vehicles to have "a starting system which, whenever the key is removed from the starting system prevents: (a) [t]he normal activation of the vehicle's engine or motor; and (b) [e]ither steering, or forward self-mobility, of the vehicle, or both."<sup>34</sup>

The rampant theft of Hyundai and Kia vehicles makes clear that these vehicles' starting systems do not prevent engine activation, steering, or forward self-mobility when the key is removed from the starting system. Indeed, because the vehicles have easily bypassed ignition switches, a screwdriver and USB cable are sufficient to start and drive off with the cars in a matter of seconds or minutes—no key required. Such starting systems do not meet FMVSS Number 114's requirements. The lack of engine immobilizers in these vehicles, which could have provided a second line of defense against theft, has compounded and exacerbated this problem.

Additionally, these Hyundai and Kia vehicles' vulnerability to theft constitutes a defect posing an unreasonable risk to safety, providing NHTSA with an independent basis to order a recall. Even young teenagers are able to access the ignition system and drive off in these vehicles.<sup>35</sup> The consequences of this safety-related defect are well documented, with many incidents of reckless driving resulting in injuries, death, and property damage.<sup>36</sup> Stolen Hyundai and Kia vehicles have also been used in the commission of further crimes, including homicides, robberies, and other violent crimes.<sup>37</sup> Furthermore, the surging thefts of Hyundai and Kia

<sup>&</sup>lt;sup>33</sup> 49 C.F.R. § 571.114 ("Standard No. 114; Theft protection and rollaway prevention").

<sup>&</sup>lt;sup>34</sup> *Id.*; see also NHTSA Guidance Document, No. GF005229-2 (Sept. 24, 2004), available at <a href="https://www.nhtsa.gov/interpretations/gf005229-2">https://www.nhtsa.gov/interpretations/gf005229-2</a> ["We note that in promulgating FMVSS No. 114, the agency expressed concern about car thieves who could bypass the ignition lock. In response to this concern, the agency decided to require a device, which would prevent either self-mobility or steering even if the ignition lock were bypassed (see 33 FR 4471, April 27, 1968)."].

<sup>&</sup>lt;sup>35</sup> E.g., CNBC, "TikTok challenge spurs rise in thefts of Kia, Hyundai cars" (Sept. 8, 2022), available at <a href="https://www.cnbc.com/2022/09/08/tiktok-challenge-spurs-rise-in-thefts-of-kia-hyundai-cars.html">https://www.cnbc.com/2022/09/08/tiktok-challenge-spurs-rise-in-thefts-of-kia-hyundai-cars.html</a> ["[T]he thieves are mainly young teens — some, not even old enough to legally drive."].

<sup>&</sup>lt;sup>36</sup> E.g., Mercury News, "Thousands more Kia, Hyundai vehicles stolen in Los Angeles this year because of a TikTok challenge, LAPD says" (Sept. 1, 2022), available at <a href="https://www.mercurynews.com/2022/09/01/thousands-more-kia-hyundai-vehicles-stolen-in-los-angeles-this-year-because-of-a-tiktok-challenge-lapd-says">https://www.mercurynews.com/2022/09/01/thousands-more-kia-hyundai-vehicles-stolen-in-los-angeles-this-year-because-of-a-tiktok-challenge-lapd-says</a>.

<sup>37</sup> E.g., Joint Letter from Attorney General of Minnesota and Mayors of Minneapolis and St. Paul to Hyundai and Kia (Mar. 2, 2023), available at <a href="https://www.ag.state.mn.us/Office/Communications/2023/docs/KiaHyundai\_Ltr.pdf">https://www.ag.state.mn.us/Office/Communications/2023/docs/KiaHyundai\_Ltr.pdf</a> ["stolen Kia or Hyundai vehicles were tied to five homicides, 13 shootings, [and] 36 robberies" in Minneapolis in 2022]; ABC6, "Columbus Police: homicide of teen is linked to 'Operation: Game Over' car theft ring" (Mar. 21, 2022), available at <a href="https://abc6onyourside.com/news/local/columbus-police-homicide-of-teen-is-linked-to-operation-game-over-car-theft-ring">https://abc6onyourside.com/news/local/columbus-police-homicide-of-teen-is-linked-to-operation-game-over-car-theft-ring</a> [dangerous crimes related to Hyundai and Kia thefts in Columbus, Ohio, including homicide]; ABC24, "Got a Kia? What Memphis Police say you can do to protect your car from theft" (Dec. 14, 2022), available at <a href="https://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.localmemphis.com/article/news/crime/stolen-kia-thtps://www.loca

vehicles have burdened public safety agencies, as police departments across the country investigate thefts and related crimes.<sup>38</sup> In short, a recall—either voluntary or ordered by NHTSA—is needed to correct this safety-related defect.

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A voluntary service campaign, particularly one that does not cover all affected vehicles, is not a sufficient corrective response under these circumstances. These Hyundai and Kia vehicles are susceptible to theft using the most rudimentary of tools. The vehicles thus violate federal safety standards regarding starting systems and constitute a serious safety-related defect. A recall with its accompanying regulatory requirements is needed to address the safety threat of these vehicles. We therefore urge NHTSA to work with Hyundai and Kia to implement a recall as soon as possible to prevent additional injuries, fatalities, and related harm to vehicle owners and the public.

Sincerely,

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<sup>&</sup>lt;sup>38</sup> E.g., ABC 7 Eyewitness News, "More Hyundais, Kias stolen on NW Side, Chicago police say" (Jan. 16, 2023), available at <a href="https://abc7chicago.com/chicago-crime-car-theft-stolen-kia/12711088">https://abc7chicago.com/chicago-crime-car-theft-stolen-kia/12711088</a>; WSB-TV, "APD searching for solutions to stop theft of Kia, Hyundai vehicles in social media challenge" (Nov. 18, 2022), available at <a href="https://www.wsbtv.com/news/local/atlanta/atlanta-police-searching-solutions-stop-vehicular-theft-kias-hyundais/7WYC6BJEJNEI3OTEB3OJ23UMRY">https://www.wsbtv.com/news/local/atlanta/atlanta-police-searching-solutions-stop-vehicular-theft-kias-hyundais/7WYC6BJEJNEI3OTEB3OJ23UMRY</a>.

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